ICLP Worldwide Ltd

Annual report and financial statements

For the year ended 30 April 2021

Registered number 06297514

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Company Information

Directors and Officers

Directors	M Hampton D Evans (Appointed on 30th April 2021) M L Buckingham (Resigned on 30th April 2021) C E Rogers (Resigned on 30th April 2021)
Company Secretary	S Hayward
Registered Office	Cutlers Exchange 123 Houndsditch London EC3A 7BU

Director's Report

The directors present their report and audited financial statements for ICLP Worldwide Ltd ('the Company') for the year ended 30 April 2021.

Principal activities

The Company is also known as Loyalty technology, which acts as a shared service entity within Collinson Group. It has a pool of highly skilled technical resources employed in the UK and Offshore in Romania. The Company supports the technological needs of the commercial areas of the Loyalty Division within the Group, which consist of:

- Onboarding new clients on loyalty platforms such as Smart Redeem Store and Smart Travel
- Improving the existing loyalty platforms in line with the product road maps
- Integrating new pieces of technology with existing platforms to improve functionality
- Support existing clients with technology issues
- Projects to improve the infrastructure

Proposed dividend

The directors do not propose the payment of a dividend (2020: £nil).

Directors

The directors who held office during the year, and subsequent to the year end, were as follows:
M Hampton
D Evans (Appointed on 30th April 2021)
M L Buckingham (Resigned on 30th April 2021)
C E Rogers (Resigned on 30th April 2021)

Financial instruments

The Company's principal financial instruments comprise cash, debtors and creditors arising in the normal course of business. The main financial risks to which the Company is exposed include liquidity and cash flow risk. These risks are managed by ensuring sufficient liquidity is available to meet liabilities as they fall due, by having access to the Collinson Group central treasury cash sources.

Going Concern

The financial statements for ICLP Worldwide Ltd have been prepared on a going concern basis. The Directors have assessed the appropriateness of the going concern basis of accounting when preparing the financial statements in accordance with accounting standards and guidance from the Financial Reporting Council ('FRC'). As part of that assessment, the Directors have considered whether there are any material uncertainties relating to events or conditions (other than those with a remote probability of occurring) that may cast significant doubt upon the use of the going concern basis of accounting. In making the going concern assessment, the Directors have considered the Company's current and future financial performance, forecasted cash flow and liquidity requirements based on operational business plans and forecasts for the going concern assessment period and extending through to 31 January 2023, a period of 12 months from the date of signing the financial statements. The Company participates as a member of centralised treasury and banking arrangements with fellow subsidiaries in The Collinson Group Limited (the "Group"). Through these centralised treasury arrangements subsidiaries have access to intercompany support from fellow subsidiaries and external borrowing from a 5-year financing arrangement signed on 2 July 2021. This financing arrangement comprises two facilities, a £60m Term Loan and an Acquisition Facility of up to £50m that is available to draw on until 1 July 2024. Upon signing, the Group drew down £50m of the £60m Term Loan, as required by the terms of the arrangement.

Director's Report (continued)

Going Concern (continued)

This financing will be used to support the general corporate and working capital needs of the Group. In addition, the Group drew down £3m from the Acquisition Facility to fund a number of near-term strategic investments. Both facilities mature on 1 July 2026. The financing agreement includes covenants for minimum liquidity which is assessed monthly from July 2021 and leverage which is assessed quarterly from October 2022.

During the year ended 30 April 2021, the Company incurred a loss of £526,355 and as of that date, had net liabilities of £11,835,075.

The Company is reliant on a letter of support from its ultimate parent being The Collinson Group Limited, to meet its obligations as they fall due.

Given this the Directors have also considered the ability of the Group to continue as a going concern. Despite recent signs of recovery in the travel sector there continues to be considerable uncertainty around the ongoing impact of COVID-19. The Directors consider the most significant uncertainties which would impact the Group to be the slower than anticipated recovery of the global airline travel industry, whether caused by regional lockdowns, slower than expected global vaccination roll-out or by the discovery of a new vaccine resistant variant. In order to assess the Group's ability to remain as a going concern, the Directors of the Group considered the impact of these risks on the Group's ability to meet its obligations and maintain compliance with its financial covenants associated with the financing arrangement under a base case scenario, which reflects the current outlook of the global economic recovery, and a severe downside scenario that assumes a significantly lower level of growth and a more prolonged recovery period compared to the base case. In the base case scenario, the Group forecasts a significant level of headroom on the minimum liquidity and leverage covenants through to January 2023. In the severe downside scenario, the revised assumptions would reduce cash receipts and whilst the Group would retain sufficient liquid resources to continue to support the business and maintain compliance with the minimum liquidity covenants, it would potentially breach leverage covenants in October 2022 and January 2023 prior to any mitigating actions. If such a severe downside were to materialise the Directors of the Group have identified multiple realistic management actions that could be used to mitigate the impact, which are entirely within Group management's control and can be put into place at speed. With the first potential breach under the severe scenario occurring in October 2022 this allows the Directors of the Group adequate time to take the appropriate mitigating actions should a downturn in travel occur and they therefore believe the actions identified would enable the Group to remedy any potential breaches and provide the Group with sufficient liquidity and headroom over the financial covenants to continue to operate throughout the going concern period. Based on the above the Directors of the Group have a reasonable expectation that the Group will continue in operation and be able to meet its commitments as they fall due throughout the going concern period.

Accordingly, as the Company has obtained a letter of support from its parent the Directors have concluded that based on the assessments of the Company performed together with the confidence the Directors have in the Group's forecasts and ability to continue as a going concern that there is a reasonable expectation that the Company will continue in operation and be able to meet its commitments as they fall due throughout the going concern period. As such the Directors have continued to adopt the going concern basis in preparing these financial statements.

Strategic report exemption

The Company is excluded from preparing accounts in accordance with the small companies' regime as it is a member of an ineligible Group. The Company would be entitled to the small companies' exemption had it not been a member of an ineligible Group and has therefore opted to take exemption from preparing a strategic report in accordance with section 414B(b) of the Companies Act 2006.

Director's Report (continued)

Audit

The Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. Accordingly, these financial statements have not been audited.

This report was approved by the board on 19 January 2022 and signed on its behalf.

DocuSigned by:

Mark Hampton

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M R Hampton

Director

Statement of Directors' Responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including Financial Reporting Standard FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and the profit or loss of the Company for that period.

In preparing these financial statements the directors are required to:

- select suitable accounting policies in accordance with Section 10 of FRS 102 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 102 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the financial position and financial performance;
- state whether applicable UK Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the Company will not continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Company financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report, and directors' report that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Statement of Comprehensive Income

For the year ended 30 April 2021

	Note	2021 £	Restated 2020 £
Revenue	3	**4,557,407**	3,584,312
Cost of sales		**(4,517,718)**	(4,022,448)
Gross profit/(loss)		**39,689**	(438,136)
Administrative expenses		**(574,579)**	(590,485)
Operating loss		**(534,890)**	(1,028,621)
Dividend's receivable	4	-	-
Interest payable and similar charges	5	**(114,917)**	(162,806)
Exceptional item	6	-	(49,964)
Loss on ordinary activities before taxation	7	**(649,807)**	(1,241,391)
Taxation	10	**123,452**	208,196
Loss for the year		**(526,355)**	(1,033,195)
Other comprehensive income		-	-
Total comprehensive loss		**(526,355)**	(1,033,195)

The notes on pages 8 to 18 are an integral part of these financial statements.

Statement of Financial Position

As at 30 April 2021

	Note	2021 £	2020 £
Non-current assets			
Investments	12	**1,142,740**	1,142,740
		1,142,740	1,142,740
Current assets			
Trade and other receivables	13	**2,185,748**	1,407,316
Cash and cash equivalents		**229,922**	-
		2,415,670	1,407,316
Current liabilities			
Trade and other payables	14	**(15,393,485)**	(13,858,775)
Net current liabilities		**(12,977,815)**	(12,451,459)
Net liabilities		**(11,835,075)**	(11,308,719)
Equity			
Called up share capital	15	**50,000**	50,000
Accumulated losses		**(11,885,075)**	(11,358,719)
Equity attributable to owners		**(11,835,075)**	(11,308,719)

The Company is excluded from preparing accounts in accordance with the small companies regime as it is a member of an ineligible group. The Company would be entitled to the small companies exemption had it not been a member of an ineligible group and has therefore opted to take exemption from preparing a strategic report in accordance with section 414B(b) of the Companies Act 2006.

For the year ending 30 April 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors Responsibilities

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the board of directors and authorised for issue on 19 January 2022.

DocuSigned by:

Mark Hampton

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M R Hampton

Director

The notes on pages 8 to 18 are an integral part of these financial statements.

Statement of Changes in Equity

For the year ended 30 April 2021

	Share capital	Accumulated losses	Total
	£	£	£
At 1 May 2019	**50,000**	**(10,325,525)**	**(10,275,525)**
Loss for the year	-	(1,033,195)	(1,033,195)
Other comprehensive loss	-	-	-
At 30 April 2020	**50,000**	**(11,358,720)**	**(11,308,720)**
Loss for the year	-	(526,355)	(526,355)
Other comprehensive loss	-	-	-
At 30 April 2021	**50,000**	**(11,885,075)**	**(11,835,075)**

The notes on pages 8 to 18 are an integral part of these financial statements.

Notes to the Financial Statements

For the year ended 30 April 2021

1 Accounting policies

1.1 General information

ICLP Worldwide Ltd is a private company limited by shares incorporated in the United Kingdom. The address of its registered office and principal place of business is Cutlers Exchange, 123 Houndsditch, London EC3A 7BU.

The principal activity of the Company is that of an intermediate Group holding company including marketing loyalty consultancy services.

The financial statements have been presented in pounds sterling as this is the Company's functional currency, being the primary economic environment in which the Company operates.

1.2 Basis of preparation

These financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 including Financial Reporting Standard FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), and the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. These financial statements have been prepared under the historical cost's convention.

FRS 102 allows a qualifying entity certain disclosure exemption, subject to certain conditions, which have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders. The Company is included in the consolidated financial statements of its parent undertaking, The Collinson Group Limited. Note 19 provides details of where those consolidated financial statements may be obtained from.

In preparing these financial statements, the Company has taken advantage of the following exemptions:

I. from presenting a statement of cash flows, as required by Section 7 'Statement of Cash Flows';

II. from disclosing key management personnel compensation, as required by FRS 102 paragraph 33.7; and

III. from presenting a reconciliation of the number of shares outstanding at the beginning and end of the year, as required by FRS 102 paragraph 4.12.

IV. from the requirement to prepare Group accounts as itself is a subsidiary undertaking and its immediate parent undertaking is established under the law of an EEA State, as required by CA 2006 section 400

On the basis that equivalent disclosures are given in the consolidated financial statements the Company has also taken advantage of the exemption not to provide:

I. the disclosure requirements of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues'.

1.3 Re-classification of prior period amounts

The Revenue and Cost of Sales amounts in 2020 have been restated to separately disclose revenue from services provided to subsidiary companies within the Group. This amount had previously been presented net against the associated cost of sale. This reclassification has increased revenue by £3,519,874 to £3,584,312 from £64,438 and increased cost of sales by £3,519,874 to £ 4,022,448 from £502,574. The reclassification has no impact on the loss on ordinary activities before tax or to the net assets of the Company.

Notes to the Financial Statements

For the year ended 30 April 2021

1.4 Going concern

The financial statements for ICLP Worldwide Ltd have been prepared on a going concern basis. The Directors have assessed the appropriateness of the going concern basis of accounting when preparing the financial statements in accordance with accounting standards and guidance from the Financial Reporting Council ('FRC'). As part of that assessment, the Directors have considered whether there are any material uncertainties relating to events or conditions (other than those with a remote probability of occurring) that may cast significant doubt upon the use of the going concern basis of accounting. In making the going concern assessment, the Directors have considered the Company's current and future financial performance, forecasted cash flow and liquidity requirements based on operational business plans and forecasts for the going concern assessment period and extending through to 31 January 2023, a period of 12 months from the date of signing the financial statements. The Company participates as a member of centralised treasury and banking arrangements with fellow subsidiaries in The Collinson Group Limited (the "Group"). Through these centralised treasury arrangements subsidiaries have access to intercompany support from fellow subsidiaries and external borrowing from a 5-year financing arrangement signed on 2 July 2021.

This financing arrangement comprises two facilities, a £60m Term Loan and an Acquisition Facility of up to £50m that is available to draw on until 1 July 2024. Upon signing, the Group drew down £50m of the £60m Term Loan, as required by the terms of the arrangement.

This financing will be used to support the general corporate and working capital needs of the Group. In addition, the Group drew down £3m from the Acquisition Facility to fund a number of near-term strategic investments. Both facilities mature on 1 July 2026. The financing agreement includes covenants for minimum liquidity which is assessed monthly from July 2021 and leverage which is assessed quarterly from October 2022.

During the year ended 30 April 2021, the Company incurred a loss of £526,355 and as of that date, had net liabilities of £11,835,075.

The Company is reliant on a letter of support from its ultimate parent being The Collinson Group Limited, to meet its obligations as they fall due.

Given this the Directors have also considered the ability of the Group to continue as a going concern. Despite recent signs of recovery in the travel sector there continues to be considerable uncertainty around the ongoing impact of COVID-19. The Directors consider the most significant uncertainties which would impact the Group to be the slower than anticipated recovery of the global airline travel industry, whether caused by regional lockdowns, slower than expected global vaccination roll-out or by the discovery of a new vaccine resistant variant. In order to assess the Group's ability to remain as a going concern, the Directors of the Group considered the impact of these risks on the Group's ability to meet its obligations and maintain compliance with its financial covenants associated with the financing arrangement under a base case scenario, which reflects the current outlook of the global economic recovery, and a severe downside scenario that assumes a significantly lower level of growth and a more prolonged recovery period compared to the base case. In the base case scenario, the Group forecasts a significant level of headroom on the minimum liquidity and leverage covenants through to January 2023. In the severe downside scenario, the revised assumptions would reduce cash receipts and whilst the Group would retain sufficient liquid resources to continue to support the business and maintain compliance with the minimum liquidity covenants, it would potentially breach leverage covenants in October 2022 and January 2023 prior to any mitigating actions. If such a severe downside were to materialise the Directors of the Group have identified multiple realistic management actions that could be used to mitigate the impact, which are entirely within Group management's control and can be put into place at speed. With the first potential breach under the severe scenario occurring in October 2022 this allows the Directors of the Group adequate time to take the appropriate mitigating actions should a downturn in travel occur and they therefore believe the actions identified would enable the Group to remedy any potential breaches and provide the Group with sufficient liquidity and headroom over the financial covenants to continue to operate throughout the going concern period. Based on the above the Directors of the Group have a reasonable expectation that the Group will continue in operation and be able to meet its commitments as they fall due throughout the going concern period.

Notes to the Financial Statements

For the year ended 30 April 2021

1.4 Going concern (continued)

Accordingly, as the Company has obtained a letter of support from its parent the Directors have concluded that based on the assessments of the Company performed together with the confidence the Directors have in the Group's forecasts and ability to continue as a going concern that there is a reasonable expectation that the Company will continue in operation and be able to meet its commitments as they fall due throughout the going concern period. As such the Directors have continued to adopt the going concern basis in preparing these financial statements.

1.5 Revenue recognition

Rendering of services

The Company generates income from the provision of marketing loyalty consultancy services to other Group companies. Revenue is measured at the fair value of the consideration received or receivable and represents amounts for services rendered in the normal course of business, net of discounts and other sales-related taxes.

Revenue is recognised in the accounting period in which the Company obtains the right to consideration in exchange for the performance of the related services and is recognised on an accrual's basis.

1.6 Dividend income

Dividend income is recognised when the Company establishes the right to receive payment.

1.7 Taxation

Tax expense for the year comprises current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future give rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date, that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

1.8 Foreign currencies

(i) Functional and presentational currency

The financial statements have been presented in pound sterling, and this is the Company's functional currency, being the currency of the primary economic environment in which the Company operates.

(ii) Transactions and balances

Transactions in foreign currencies other than the functional currency of the Company are translated to the functional currency using the exchange rate prevailing at the date the transactions took place.

Notes to the Financial Statements

For the year ended 30 April 2021

1.8 Foreign currencies (continued)

Monetary assets and liabilities denominated in foreign currencies at the reporting date are reported at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date of monetary assets and liabilities are reported in the statement of comprehensive income.

1.9 Intangible assets

Intangible assets are initially recognised at cost, being the purchase price plus any directly attributable costs, and are subsequently measured at cost less any accumulated amortisation and impairment losses.

Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the software so that it will be available for use or sale;
- The intention to complete the software and use or sell it;
- The ability to use the software or to sell it;
- How the software will generate probable future economic benefits;
- The availability of adequate technical, financial, and other resources to complete the development and to use or sell the software; and
- The ability to measure reliably the expenditure attributable to the software during its development.

Other development costs that do not meet these criteria are recognised as an expense as incurred.

Amortisation is charged on a straight-line basis to administrative expenses in profit or loss over the shorter of the useful life of the asset or the contractual or legal rights arising on acquisition. The useful lives are as follows:

Software - 3 years

Intangible assets are tested for impairment where indication of impairment exists at the reporting date.

1.10 Financial instruments

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company holds only basic financial instruments, which comprise cash and cash equivalents, trade and other receivables, trade and other payables and bank overdrafts. The Company has chosen to apply the measurement and recognition provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments' in full.

Financial assets – classified as basic financial instruments

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

Bank overdrafts when applicable, are shown within borrowings in current liabilities.

(ii) Trade and other receivables

Receivables are initially recognised at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

Where a financial asset constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

Notes to the Financial Statements

For the year ended 30 April 2021

1.10 Financial instruments (continued)

At the end of each reporting year, the Company assesses whether there is objective evidence that any receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

1.11 Financial instruments

Financial liabilities – classified as basic financial instruments

(i) Trade and other payables

Trade and other payables are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount of the cash expected to be paid.

Where a financial liability constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

1.12 Impairment of assets

At each reporting date the Company reviews the carrying value of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset, or cash generating unit.

The present value calculation involves estimating the future cash inflows and outflows to be derived from continuing use of the asset, and from its ultimate disposal, applying an appropriate discount rate to those future cash flows.

Where the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognised immediately in profit or loss.

An impairment loss recognised for all assets is reversed in a subsequent year if, and only if, the reasons for the impairment loss have ceased to apply.

1.13 Retirement benefits

The Company operates a defined contribution pension plan for its employees.

Obligations for contributions to the defined contribution pension plan are charged to the statement of comprehensive income in the year to which the contributions relate.

1.14 Valuation of Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2 Critical accounting judgements and key sources of estimation uncertainty

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

Notes to the Financial Statements

For the year ended 30 April 2021

2 Critical accounting judgements and key sources of estimation uncertainty (continued)

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

2.1 Critical judgements in applying the Company's accounting policies

The critical judgements that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment to assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. During the year the Company has recognised impairments on investments in subsidiary undertakings that have entered into voluntary liquidation as a part of a Group reconstruction (see note 12).

(ii) Going Concern

Determining that the going concern basis is appropriate is an area of judgement and given the continued uncertainty associated with the COVID-19 pandemic there is an increased level of uncertainty around this judgement. In determining that it was appropriate to prepare the financial statements on a going concern basis the Directors have assessed the performance of the Company and of the parent providing a letter of support as set out in note 1.4. Based on these assessments' management have determined it is appropriate to prepare the financial statements on a going concern basis.

2.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Estimation of useful life of intangible assets

The amortisation charge for intangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful life and residual values of acquired software are reviewed annually by management and have been amended as appropriate to reflect management's current estimate of economic utilisation. Refer to accounting policy 1.9 for the useful economic lives for software recognised as intangible assets.

(ii) Recoverability of receivables

Management estimates the recoverable value of receivables and establishes a provision for the amount that is estimated not to be recoverable. In assessing recoverability management considers the aging of the receivables, past experience of recoverability, and the credit profile of individual or Groups of customers. Refer to note 13 for the carrying value of receivables.

Notes to the Financial Statements

For the year ended 30 April 2021

3 Revenue

Revenue arises from the supply of goods and services to other Group companies.

An analysis of the Company's revenue by geographical area is as follows

	2021	Restated 2020
	£	£
United Kingdom	**2,484,415**	2,296,993
Middle East	**598,760**	121,869
Australia	**366,434**	545,567
Asia excluding Middle East	**8,679**	25,534
North and South America	**1,089,428**	594,349
Rest of Europe	**9,691**	-
	4,557,407	3,584,312

2020 numbers have been restated. Please refer to note 1.3 for further details.

4 Dividends receivable

No dividends were declared in respect of 2021 (2020: nil) at the reporting date.

5 Interest payable and similar charges

	2021	2020
	£	£
Interest on intercompany balances	**114,917**	162,806
	114,917	162,806

6 Exceptional Items

The Company has no exceptional items to declare for the year. In 2020 the majority of the balance related to one off restructuring costs of £53,658 as a result of project Soteria. The Company recorded a profit of £3,694 from the sale of ALD Asia Pacific Ltd to ALD Holdings Ltd during the year.

7 Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging/(crediting):

	2021	2020
	£	£
Impairment loss on investment in Subsidiary	-	149,449
Computer Consumables	**24,415**	12,556
Intercompany other costs	**542,902**	280,719
Foreign exchange loss	**1,365**	2,766
Auditors' remuneration:		
Audit of these financial statements	**936**	3,183

Notes to the Financial Statements

For the year ended 30 April 2021

8 Staff costs

The Company has no contracted employees but instead is charged employment costs by other Group companies. The average monthly number of full-time equivalents was:

	2021	2020
Production	**31**	25
	31	25

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	**2,131,926**	1,809,396
Social security costs	**255,741**	201,014
Other pension costs	**233,957**	94,887
	2,621,624	2,105,297

9 Directors' remuneration

Certain directors are also directors of other companies within The Collinson Group Limited. The directors' services to the Company do not occupy a significant amount of time. As such the directors do not consider that they receive any remuneration for their incidental services to the Company for the years ended 30 April 2021 and 30 April 2020.

10 Tax on loss on ordinary activities

The tax charge comprises:

	2021 £	2020 £
Current tax on loss on ordinary activities		
UK corporation tax	**(123,452)**	(208,544)
Adjustment in respect of prior years	-	-
	(123,452)	(208,544)
Deferred tax provided		
Adjustment in respect of prior years	-	348
Total tax on loss on ordinary activities	**(123,452)**	(208,196)

Notes to the Financial Statements

For the year ended 30 April 2021

10 Tax on loss on ordinary activities (continued)

Tax on loss on ordinary activities for the year is at the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are reconciled below:

	2021 £	2020 £
Loss on ordinary activities before taxation	**(649,807)**	(1,241,391)
Income tax calculated at 19% (2020: 19%)	**(123,463)**	(235,864)
Income not subject to tax	-	(702)
Expenses not deductible for tax purposes	**11**	28,411
Impact of tax rate changes	-	(41)
Adjustment in respect of prior years	-	-
Total Tax credit for the year	**(123,452)**	(208,196)

The Company has surrendered the benefit of tax losses to other Group companies for a consideration of £123,452 (2020: £208,196).

Factors affecting the tax charge

The Chancellor has confirmed an increase in the corporation tax (CT) rate from 19 to 25 percent with effect from 1 April 2023. This was substantively enacted on 24 May 2021.

As it has not been substantively enacted at the balance sheet date, no remeasurement of existing deferred tax assets and liabilities is required for the FY21 balance sheets. As the Company does not have any deferred tax assets, there is not expected to be any impact.

11 Dividends

No dividends were declared in respect of 2021 (2020: £nil) at the reporting date.

12 Investments in subsidiary undertakings

	£
Cost	
At 30 April 2020	4,329,603
Disposals	-
At 30 April 2021	4,329,603
Accumulated impairment	
At 30 April 2020	(3,186,863)
Impairments	-
At 30 April 2021	(3,186,863)
Net book value	
At 30 April 2021	1,142,740
At 30 April 2020	1,142,740

Notes to the Financial Statements

For the year ended 30 April 2021

12 Investments in subsidiary undertakings (continued)

The Company has the following investments in subsidiary undertakings:

Name	Country of incorporation	Class of shares held	Percentage of equity shares and voting rights held
Loyalty, marketing and related services			
Vivid Lime Ltd	United Kingdom	Ordinary	100
Partnership Marketing Agency Ltd	United Kingdom	Ordinary	100
Partnership Marketing Agency Ltd HK	Hong Kong	Ordinary	100

13 Trade and other receivables

	2021 £	2020 £
Amounts owed by parent undertaking	**331,996**	1,040,868
Amounts owed by other Group undertakings	**1,836,934**	346,580
Other receivables	**3,224**	19,868
Prepayments and accrued income	**13,594**	-
Deferred tax	-	-
	2,185,748	1,407,316

All the receivables are due within 1 year. Amounts owed by Collinson Finance Limited accrue interest at LIBOR plus 0.5% and are repayable within 5 business days upon request of the lender.

Amounts due from other Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

14 Trade and other payables

	2021 £	2020 £
Trade payables	**118,504**	318,178
Amounts owing to parent undertaking	**7,209**	-
Amounts owing to other Group undertakings	**14,898,757**	13,460,083
Other payables	-	2,311
Accruals and deferred income	**369,015**	78,203
	15,393,485	13,858,775

Amounts owed to Collinson Finance Limited accrue interest at LIBOR plus 0.5% and are repayable within 5 business days upon request of the lender.

Amounts due to other Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Notes to the Financial Statements

For the year ended 30 April 2021

15 Share capital

	2021	2020
	£	£
Allotted, called-up and fully paid		
50,000 ordinary shares of £1 each	**50,000**	50,000

16 Contingent liabilities

There is a fixed and floating charge over all assets of the Group whereby the Group guarantees all amounts due to Barclays Bank Plc by the Group. As at the reporting date the amount due to Barclays Bank Plc by certain Group companies was £nil (2020: £nil).

17 Post-retirement benefits

The Company operates a defined contribution pension plan for its employees. The pension cost charged represents contributions payable by the Company to the funds and amounted to £233,957 (2020: £94,887). Contributions amounting to £nil (2020: £nil) were outstanding at the reporting date.

18 Related party transactions

The Company has taken advantage of the exemption available under FRS 102 Section 33.1A not to disclose related party transactions with other wholly owned Group companies.

During the year the Company made sales of £121,450 (2020: £42,777) and purchases of £400 (2020: £165,826) from International Customer Loyalty Programmes Plc., a fellow subsidiary undertaking that is not wholly owned by the Group. At the balance sheet date an amount of £16,443 (2020: £78,888) was due from International Customer Loyalty Programmes Plc.

19 Parent undertaking and ultimate controlling party

At the reporting date, the Company's immediate parent undertaking was Collinson International Limited, a company incorporated in England company number 02577557.

The Collinson Group Limited, a company incorporated in England company number 11141096, is the parent undertaking of the largest and smallest Group for which Group accounts are prepared. Copies of those Group accounts may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The directors regard Parminder Limited, a company incorporated in the Isle of Man, to be the Company's ultimate parent undertaking. The ultimate controlling parties identified by the directors are the Trustees of the Colin Evans 1987 Settlement, established under the laws of the Isle of Man, the beneficiary of which is Mr C R Evans.

20 Post balance sheet events

There were no adjusting and non-adjusting post balance sheet events between 30 April 2021 and the approval of the report and accounts of the Company that require disclosure.